

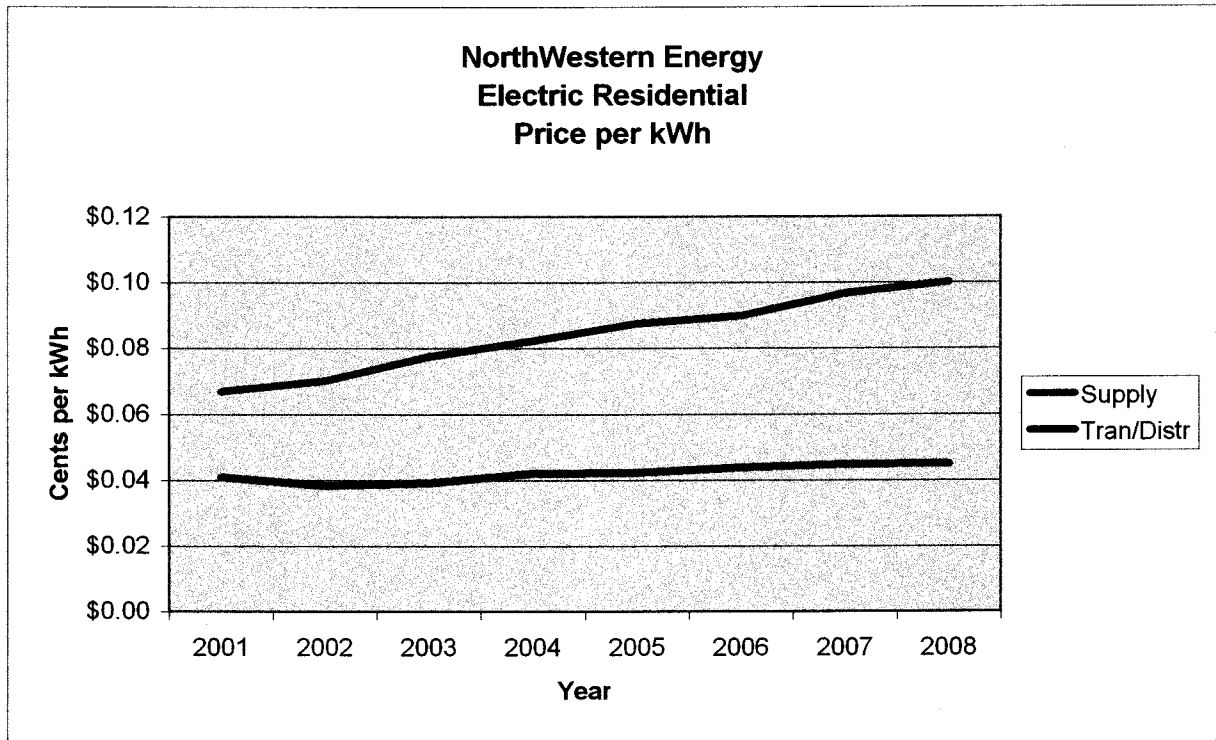
STATE OF MONTANA
 HOUSE OF REPRESENTATIVES
 REPORT NO. 14
 DATE 3-30-07
 BY HB 25

NorthWestern Energy
 Electric Residential
 Rates by Tran/Distr. & Supply

Cents per kWh

<u>Year</u>	<u>Tran/Distr</u>	<u>Supply</u>
2001	\$ 0.040813	\$ 0.025973
2002	\$ 0.038447	\$ 0.031667
2003	\$ 0.039153	\$ 0.038400
2004	\$ 0.042047	\$ 0.040386
2005	\$ 0.042287	\$ 0.045381
2006	\$ 0.043849	\$ 0.046042
2007	\$ 0.044769	\$ 0.051876
2008	\$ 0.045053	\$ 0.055180

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Transmission and distribution (T&D) rates have not been adjusted since MPSC issued Final Order 6271c in May 2001. The T&D rate adjustment was based on a 1999 test year. The only rate adjustments that have occurred after is related to the incremental property tax adjustment allowed by Montana law. Electric utility property taxes represent approximately 17% to 21% of the T&D rate. All of the increase in the T&D rates since 2004 has been caused by increases in property taxes.

The primary supply costs are paid directly to PPL of Montana.